

Mondi Services (UK) Limited

**Annual report and financial statements
for the year ended 31 December 2024**

Registered number: 06003425

Mondi Services (UK) Limited

Annual report and financial statements

For the year ended 31 December 2024

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Mondi Services (UK) Limited

Annual report and financial statements

For the year ended 31 December 2024

Officers and professional advisers

Directors

J L Hampshire
A C W King
M A McHugh
M A Powell
R A Smith

Company secretary

J L Hampshire

Registered office

Ground Floor, Building 5
The Heights
Brooklands
Weybridge
Surrey, KT13 0NY

Registered Number

06003425

Bankers

Deutsche Bank AG
Winchester House
1 Great Winchester Street
London EC2N 2DB

Independent Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
United Kingdom
WC2N 6RH

Mondi Services (UK) Limited

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Strategic report

The directors, in preparing this Strategic report, have complied with section 414C of the Companies Act 2006.

Review of the business

Mondi Services (UK) Limited (the “Company”) provides services and facilities to the Mondi Group (the “Group”) and more specifically Mondi plc. The directors have the present intention of maintaining its business in the current form and believe the Company’s future prospects to be satisfactory. As the Company provides services and recharges all costs to Mondi plc, the Company’s directors believe that further key performance indicators of the Company are neither necessary nor appropriate for an understanding of the development, performance or position of the business.

The loss for the financial year after tax was £160,374 (2023: loss of £143,551). The directors do not recommend the payment of a dividend for the year (2023: nil).

Risk management

The directors considered the risks attached to the Company’s financial instruments. The Company’s exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities and the financial statements. For more information on the Group, please see the principal risks and risk management on pages 60-69 of the Group’s Integrated report and financial statements 2024, which does not form part of this report but provides details of the consideration given to stakeholders by the Group.

Future development

The directors have the present intention of maintaining its business in the current form and believe the Company’s future prospects to be satisfactory.

Approved by the Board of Directors on 6 May 2025 and signed on behalf of the Board by:



R A Smith
Director

Mondi Services (UK) Limited

Annual report and financial statements

For the year ended 31 December 2024

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2024.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

J L Hampshire
A C W King
M A McHugh
J C Paterson (resigned 7 February 2025)
M A Powell
R A Smith (appointed 7 February 2025)

Directors' indemnities

The Company, via its ultimate holding company (Mondi plc), has made qualifying third party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report.

Information set out in the Strategic report

Disclosures relating to the following items have been included in the Strategic report, which can be found on page 2:

- dividend payments and recommendations;
- financial risk management objectives, policies and related exposures to price risk, credit risk, liquidity risk and cash flow risk; and
- likely future developments in the business of the Company.

Going concern

The directors believe that the Company will continue to act in line with its principal business activity as a service entity for the Group. The Company's ultimate holding company, Mondi plc, has confirmed that it will provide continued support for the Company to meet its obligations as they fall due for a period of not less than 12 months from the signing of the Company's annual financial statements.

As a result, the directors believe that the Company will continue to be a going concern into the foreseeable future and have adopted the going concern basis of accounting.

Events occurring after 31 December 2024

There have been no material reportable events since 31 December 2024.

Mondi Services (UK) Limited

Annual report and financial statements

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Directors' report

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as independent auditors and in accordance with the Companies Act 2006 are deemed to remain in office as independent auditors of the Company.

Approved by the board of directors on 6 May 2025 and signed by order of the board by:



J L Hampshire
Company Secretary

Mondi Services (UK) Limited

Independent auditors' report to the members of Mondi Services (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Mondi Services (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2024; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial

Mondi Services (UK) Limited

Independent auditors' report to the members of Mondi Services (UK) Limited

statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of potential instances of non-compliance with laws and regulations and fraud;
- Testing a sample of journal entries in relation to unexpected account combinations, post close journals and journals with unusual descriptions;

Mondi Services (UK) Limited

Independent auditors' report to the members of Mondi Services (UK) Limited

- Challenging assumptions and judgements made by management in its accounting estimates or judgements as a whole and assessing whether there has been any management bias in aggregate.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Bansi Shah (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
6 May 2025

Mondi Services (UK) Limited

Statement of comprehensive income

For the year ended 31 December 2024

	Note(s)	2024 £	2023 £
Turnover	3	18,787,610	20,085,190
Personnel costs	4	(10,504,203)	(8,961,089)
Other operating costs	5	(8,098,520)	(10,941,157)
Other operating income		-	282
Depreciation	10	(187,185)	(182,653)
Gain/(Loss) on disposal of fixed assets	10	480	(164)
Operating (loss)/profit	6	(1,818)	409
Investment income	7	2,555	-
Interest payable and similar expenses	8	(161,111)	(143,960)
Loss before tax		(160,374)	(143,551)
Tax on loss	9	-	-
Loss and total comprehensive expense for the financial year		(160,374)	(143,551)

All amounts derive from continuing operations.

There are no items of other comprehensive income or expense for the current or preceding financial year other than the loss for the financial year shown above.

The notes of pages 11 to 21 form an integral part of these financial statements

Mondi Services (UK) Limited

Balance sheet

As at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	976,479	1,126,221
Current assets			
Trade and other receivables	12	<u>2,361,239</u>	<u>1,764,014</u>
Total assets		<u><u>3,337,718</u></u>	<u><u>2,890,235</u></u>
Current liabilities			
Trade and other payables	13	(7,476,368)	(6,891,545)
Lease obligations	14	<u>(7,062)</u>	<u>(7,959)</u>
		<u>(7,483,430)</u>	<u>(6,899,504)</u>
Net current liabilities		<u><u>(5,122,191)</u></u>	<u><u>(5,135,490)</u></u>
Non-current liabilities			
Lease obligations	14	<u>(23,931)</u>	<u>-</u>
Total liabilities		<u><u>(7,507,361)</u></u>	<u><u>(6,899,504)</u></u>
Net liabilities		<u><u>(4,169,643)</u></u>	<u><u>(4,009,269)</u></u>
Equity			
Called up share capital	15	1	1
Accumulated losses		<u>(4,169,644)</u>	<u>(4,009,270)</u>
Total shareholders' deficit		<u><u>(4,169,643)</u></u>	<u><u>(4,009,269)</u></u>

The financial statements of pages 8 to 21 were approved by the Board of Directors and authorised for issue on 6 May 2025.

They were signed on its behalf by:



R A Smith
Director
Company registered number: 06003425

Mondi Services (UK) Limited

Statement of changes in equity

For the year ended 31 December 2024

	Called up share capital (see Note 15)	Accumulated losses	Total
	£	£	£
Balance at 1 January 2023	1	(3,865,719)	(3,865,718)
Loss and total comprehensive expense for the year	-	(143,551)	(143,551)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2023	1	(4,009,270)	(4,009,269)
Loss and total comprehensive expense for the year	-	(160,374)	(160,374)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2024	1	(4,169,644)	(4,169,643)
	<hr/>	<hr/>	<hr/>

The notes of pages 11 to 21 form an integral part of these financial statements.

Mondi Services (UK) Limited

Notes to the financial statements

For the year ended 31 December 2024

1. General information

Mondi Services (UK) Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Strategic report on page 2.

2. Material accounting policies

Basis of accounting

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100. Accordingly, in the year ended 31 December 2024, the financial statements have therefore been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101").

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, financial instruments, capital management, and presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective and related party transactions.

Where required, equivalent disclosures are given in the consolidated financial statements of Mondi plc. The consolidated financial statements are available to the public and can be obtained as set out in note 16.

New accounting policies, early adoption and future requirements

Amendments to published Standards effective during 2024

The following new Standards and the amendments to Standards have been adopted for the financial year beginning on 1 January 2024, and have had no significant impact on the Company's results:

- Amendments to IAS 1 – Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to IAS 1 – Presentation of Financial Statements – Classification of Liabilities as Current or Non-current
- Amendments to IFRS 16 – Leases – Lease Liability in a Sale and Leaseback
- Amendments to IAS 7 and IFRS 7 – Statement of Cash Flows and Financial instruments: Disclosures - Supplier Finance Arrangements

Amendments to published Standards effective for the financial year beginning on 1 January 2025

The following amendments to Standards will be effective for the financial year beginning on 1 January 2025. The amendments are not expected to have a significant impact on the Company's results:

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates - Lack of exchangeability

The Company is in the process of assessing the impact of IFRS 18, 'Presentation and Disclosure in Financial Statements', issued in April 2024, which will become effective and be adopted for the financial year beginning on 1 January 2027.

The financial statements are prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

2. Material accounting policies (continued)

Going concern

The directors believe that the Company will continue to act in line with its principal business activity as a service entity for the Group. The Company's ultimate holding company, Mondi plc, has confirmed that it will provide continued support for the Company to meet its obligations as they fall due for a period of not less than 12 months from the signing of the Company's annual financial statements.

As a result, the directors believe that the Company will continue to be a going concern into the foreseeable future and the Company therefore continue to adopt the going concern basis in preparing its financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, and represents rental income from group companies and amounts receivable for management services provided to other group companies, net of VAT and other sales-related taxes.

Rental income from leases is recognised on a straight-line basis over the term of the relevant lease.

The turnover recorded from cost recharges from Mondi Services (UK) Limited to Mondi plc and the settlement of the receivable are executed monthly as a part of the monthly closing process in accordance with the Group's established internal policy.

Personnel Costs

Personnel Costs include short-term employee benefits which are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other operating costs

Operating costs are recognised as expenses in the period in which they are incurred.

Taxation

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction, which affects neither the taxable profit nor the accounting profit.

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

2. Material accounting policies (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is charged or credited in the statement of comprehensive income. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments of a maturity of three months or less from the date of acquisition that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are initially recognised at their fair value and are subsequently measured at amortised cost using the effective interest rate method, less allowance for impairments.

Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest rate method.

Tangible fixed assets

Tangible fixed assets comprise furniture and equipment and computer equipment.

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Cost includes all costs incurred in bringing the equipment to the location and condition for its intended use.

At each reporting date, the Company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Depreciation is charged to write off the cost of assets on the straight-line basis over their estimated useful economic lives to their estimated residual values. Useful economic lives have been estimated as follows:

- | | |
|--|---------------|
| • right of use asset (furniture and equipment) | 2 to 3 years |
| • computer equipment | 3 to 5 years |
| • furniture and equipment | 5 to 10 years |

Residual value is calculated on prices prevailing at the date of acquisition or revaluation. Useful lives and residual values are reviewed at the end of every reporting period.

Details for assets held under leases are explained under section 'Leases'.

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

2. Material accounting policies (continued)

Leases

To the extent that a right-of-control exists over an asset subject to a lease with a lease term exceeding one year, a right-of-use asset, representing the Company's right to use the underlying leased asset, and a lease liability, representing the Company's obligation to make lease payments, are recognised in the balance sheet at the commencement of the lease.

The right-of-use asset is measured initially at cost and includes the amount of initial measurement of the lease liability, any initial direct costs incurred, including advance lease payments, and an estimate of the dismantling, removal and restoration costs required in terms of the lease. Depreciation is charged to the comprehensive income so as to depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. This amounts to a lease term of two to three years for the right of use asset. The lease term shall include the period of an extension option where it is reasonably certain that the option will be exercised. Where the lease contains a purchase option the asset is written off over the useful life of the asset when it is reasonably certain that the purchase option will be exercised.

The lease liability is measured at the present value of the future lease payments, including variable lease payments that depend on an index and the exercise price of purchase options where it is reasonably certain that the option will be exercised, discounted using the interest rate implicit in the lease, if readily determinable. If the rate cannot be readily determined, the lessee's incremental borrowing rate is used. Finance charges are recognised in the statement of comprehensive income over the period of the lease.

Lease expenses for leases with a duration of one year or less and low-value assets are charged to the comprehensive income when incurred. Low-value assets are based on qualitative and quantitative criteria.

Critical accounting judgements and key sources of estimation uncertainty

The directors do not consider any of the judgements and estimates as critical accounting judgements or significant accounting estimates as defined in IAS 1. In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas of judgement and estimation the directors considered included the estimation of usual expected lifetime of tangible assets (see note 10), the assessment of deferred taxation (see note 11), the assessment of lifetime expected life of a trade receivable (see note 12) and the discount rate on initial measurement of lease obligations (see note 14).

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

3. Turnover

Analysis of revenue by geography

	2024	2023
	£	£
United Kingdom	18,248,247	19,110,911
Austria	539,363	974,279
	<u>18,787,610</u>	<u>20,085,190</u>

4. Directors and employees

The Company had no employees during the year (2023: none). Employee costs of 29 employees of Mondi plc (2023: 28) of £10,504,203 (2023: £8,961,089) were borne by Mondi Services (UK) Limited on behalf of Mondi plc in accordance with the Group's established internal policy. The directors received no remuneration or emoluments in respect of the services provided to the Company during the year (2023: nil).

	2024	2023
	No.	No.
Monthly average number of persons employed by Mondi plc		
Administration	<u>29</u>	<u>28</u>
	<u>29</u>	<u>28</u>

	2024	2023
	£	£
Staff costs during the year		
Wages and salaries	9,359,809	7,763,962
Social security costs	1,111,182	1,156,408
Other pension costs	33,212	40,719
	<u>10,504,203</u>	<u>8,961,089</u>

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

5. Other operating costs

	2024 £	2023 £
Advertising, marketing and reports	1,054,680	1,433,118
Recruiting and training expenses	250,049	202,431
Audit fees	2,416,455	2,359,505
Legal, tax and other consulting fees	1,997,898	4,358,287
Travel expenses	319,938	497,137
IT and telecommunication expenses	886,530	1,282,139
Office expenses, maintenance	434,891	376,203
Miscellaneous expenses	738,079	432,337
	<u>8,098,520</u>	<u>10,941,157</u>

6. Operating (loss)/profit

The audit fee for the audit of the Company's financial statements of £31,871 (2023: £29,678) has been borne by the Company in both years.

7. Investment income

	2024 £	2023 £
Other interest income	2,555	-
	<u>2,555</u>	<u>-</u>

8. Interest payable and similar expenses

	2024 £	2023 £
Interest payable to group undertakings	(160,374)	(143,552)
Interest on lease obligations	(737)	(408)
	<u>(161,111)</u>	<u>(143,960)</u>

Interest on amounts due to group undertakings is charged at current market rates and amounts due are payable on demand. Refer to note 14 for details on leases.

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

9. Tax on loss

(a) Analysis of tax charge for the year

	2024 £	2023 £
Current tax		
UK corporation tax	-	-
Total current tax charge	-	-

(b) Factors affecting tax charge for the year

The total tax charge assessed for both years differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2024 £	2023 £
Loss before taxation	(160,374)	(143,551)
Loss before taxation multiplied by standard rate of corporation tax in the UK of 25.0% (2023: 23.5%)	(40,094)	(33,734)
Tax effect of:		
Depreciation in excess of capital allowances	(1,636)	(14,108)
Group relief surrendered and not charged	41,730	47,842
Tax charge for the year	-	-

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

10. Tangible assets

	Computer equipment	Furniture and equipment	Total
	£	£	£
Cost			
At 1 January 2023	180,606	1,320,401	1,501,007
Additions	25,984	58,999	84,983
Disposals	(17,889)	(2,350)	(20,239)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	188,701	1,377,050	1,565,751
Additions	6,976	36,471	43,447
Disposals	(6,214)	(40,861)	(47,075)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	189,463	1,372,660	1,562,123
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
At 1 January 2023	84,568	192,227	276,795
Charge for the year	33,358	149,295	182,653
Disposals	(17,889)	(2,029)	(19,918)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	100,037	339,493	439,530
Charge for the year	34,572	152,613	187,185
Disposals	(6,214)	(34,857)	(41,071)
	<hr/>	<hr/>	<hr/>
At 31 December 2024	128,395	457,249	585,644
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2024	61,068	915,411	976,479
	<hr/>	<hr/>	<hr/>
At 31 December 2023	88,664	1,037,557	1,126,221

The carrying amount and depreciation charge accumulated held as right of use assets (included in Furniture and equipment) amount to £30,677 (2023: £7,525) and £5,795 (2023: £29,485), respectively.

The Company disposed of assets (included in Furniture and equipment) during the financial year. The difference between the net disposal proceeds of £6,484 (2023: £158) and its carrying amount of £6,004 (2023: £322) is recognised in the comprehensive income within Gain/(Loss) on disposal of fixed assets.

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

11. Deferred tax asset - unrecognised

	2024	2023
	£	£
Depreciation in excess of capital allowances	(24,032)	(4,975)
Tax losses	543,174	475,317
	<hr/>	<hr/>
Deferred tax asset	519,142	470,342
	<hr/>	<hr/>

No deferred tax assets have been recognised (2023: £0), as it is not considered likely that they would be recovered. The unrecognised deferred tax asset has no expiry date (2023: no expiry date).

12. Trade and other receivables

Amounts falling due within one year:

	2024	2023
	£	£
Amounts owed by group undertakings	1,522,337	481,725
Prepayments	265,341	286,449
VAT receivables	564,142	984,043
Other receivables	9,419	11,797
	<hr/>	<hr/>
	2,361,239	1,764,014
	<hr/>	<hr/>

Interest on amounts owed by group undertakings is earned at current market rates, charged only on balances outstanding for more than 12 months, and amounts owed are payable on demand.

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

13. Trade and other payables

	2024	2023
	£	£
Amounts owed to group undertaking	3,225,267	3,174,857
Trade payables	170,894	182,395
Accruals	3,716,820	3,109,637
Tax and social security	363,387	424,656
	<u>7,476,368</u>	<u>6,891,545</u>

Interest on amounts due to group undertakings is charged at current market rates and amounts due are payable on demand. These amounts owed to group undertakings relate to deposits that are held within a group cash pool account for which a cash pooling arrangement is in place.

14. Lease obligations

The Company renewed the lease for photocopiers in 2024. The lease term is 60 months and fixed instalments of £1,940 are payable quarterly in advance. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. The interest rate implicit in the lease is 2.7%. The right of use asset for the photocopiers is reflected in the underlying asset class of Furniture and equipment and the related lease liabilities are reflected as Lease obligations.

Future minimum lease payments are as follows:

	2024	2023
	£	£
Minimum lease payments		
Within one year	7,761	8,076
Between two and five years	<u>24,877</u>	<u>-</u>
Future value of lease liability	32,638	8,076
Less: Future finance charges	<u>(1,645)</u>	<u>(117)</u>
Present value of lease liability	<u>30,993</u>	<u>7,959</u>

Mondi Services (UK) Limited

Notes to the financial statements (continued)

For the year ended 31 December 2024

15. Called up Share capital

	2024 £	2023 £
Issued and fully paid		
1 (2023: 1) ordinary share of £1	1	1

Mondi Services (UK) Limited is not restricted in the number of shares that can be issued.

16. Ultimate parent company

The immediate parent company and controlling party is Mondi Investments Limited, a company incorporated in the United Kingdom and registered in England and Wales.

The ultimate parent company and ultimate controlling party is Mondi plc, a company incorporated in the United Kingdom and registered in England and Wales. Mondi plc is the parent undertaking of the largest and smallest group which includes the Company and for which consolidated financial statements are prepared.

The financial statements of Mondi Investments Limited and Mondi plc may be obtained from the Company Secretary, Building 5, Ground Floor, The Heights, Brooklands, Weybridge, Surrey, KT13 0NY.

17. Events occurring after 31 December 2024

There have been no material reportable events since 31 December 2024.